THE MINISTER OF CIVIL AVIATION (SHRI ANANTH KUMAR): (a) According to the traffic projections taken into account while finalising the Policy on Airport Infrastructure, the growth rate of international passenger traffic at Indian airports would be:—

1996-1997 to 1999-2000 : 7%

2000-2001 to 2004-2005 : 6%

2005-2006 to 2011-2012 : 5.5%

2012-2013 to 2016-2017 : 4.9%

(b) and (c) The requirement of additional facilities at International Airports are reviewed periodically and expansion and upgradation works undertaken accordingly to meet the demand of growing traffic. Saturation of facilities at International airports at Delhi, Calcutta, Chennai and Thiruvananthapuram is therefore not expected in the near future. However, at Mumbai Airport, even after the expected commissioning of Terminal II-C in August, 1999, airport facilities are lik»ly to get saturated due to landfcpace constraints. Hence, the Government has constituted a Committee to examine the feasibility of setting up a second airport at Mumbai. The report of this Committee is awaited.

(d) The Policy on Airport Infrastructure has identified Bangalore, Hyderabad, Ahmedabad, Amritsar and Guwahati airports for upgradation to international standards. A Task Force has been set up by the Government under the Chairmanship of Deputy Chairman. Planning Commission to look into this aspect.

Air services from Amritsar to U.K., Eurpoe and Canada

162. SHRI SUKHDEV SINGH LIBRA:
SARDAR GURCHARAN: SINGH TOHRA:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government propose to operate direct flights from Amritsar to destinations in Europe, United Kingdom and Canada for the benefits of Punjabis settled or working there; and

(b) if so, the details thereof?

THE MINISTER OF CIVIL AVIATION (SHRI ANANTH KUMAR): (a) and (b) Because of shortage of aircraft capacity and insufficient traffic potential, Air India is unable to provide direct international flights to<from Amritsar. Air India is, however, operating twice weekly hub and spoke flights between Delhi and Amritsar and which provide connections to Frankfurt, Paris, London, New York, Chicago and Moscow.

Non-clearance of Tata Airlines proposal

163. SHRI PREM CHAND GUPTA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that clearance to the Tata Airlines proposal is being delayed even though it meets all the criteria listed in this regard; and

(b) the salient features of Government criteria and which ones are not being met by the Tatas?

THE MINISTER OF CIVIL AVIATION (SHRI ANANTH KUMAR): (a) and (b) On 1st September 1998, M* Tata Industries have withdrawn their proposal submitted in December, 1997 to operate domestic scheduled air transport services.

Salient features of the policy on domestic air transport services sector are enclosed in the Statement.

Statement

Salient features of new domestic air transport policy

1. Foreign equity upto 40% and NRI/OCB investment upto 100% would be permitted in the domestic air transport services.

2. Equity from foreign airlines will, however, not be allowed directly, or indirectly, in the domestic air trans port services.*

3. The existing companies operating in the domestic air transport sector in which equity is held by foreign airlines, directly or indirectly, will be advised to disinvest equity held by foreign airlines, within a period of six months.

4. Barriers to entry and exit from this sector have been removed. There would only be a pre-entry scrutiny of applications to verify the financial soundness, maintenance, security and safety aspects of operations and human resources development proposed to be undertaken by the applicant.

5. Choice of the aircraft type and size be left to the operator.

6. To eliminate non-serious entrepreneurs and to achieve economies of scale, the minimum fleet size for a scheduled operator has been raised from the existing three (3) to five (5) aircraft and the minimum amount of the shareholders fund has been enhanced from existing Rs. 5.00 crores to Rs. 10 crores for aircraft of all-up-weight below 40,000 kgs and from Rs. 10 crores to Rs. 30 crores for aircraft of all up weight exceeding 40,000 kgs.

7. Total capacity in the air transport sector has been assessed on the basis of trend growth of traffic and projections made for the least a period of five years on annual basis. This information is being widely publicised to enable the entrepreneur to take investment decisions.

8. In the distribution of this pre determined capacity for induction, while preference will be given to Indian Airlines according to its fleet augmentation plan subject to its ability to do so, to meet a share of additional capacity that would emerge each year. The proposals of private operators for induction of capacity would be considered keeping in view the demand, load factor, past track record and financial soundness etc.

9. The present policy of route dispersal guidelines has been retained and is being strictly enforced. According to these guidelines, all scheduled operators are required to deploy in the North-East, Jammu & Kashmir, Andaman Nicobar Islands and Lakshadweep 10% of their capacity deployed on these specified trunk routes.

Rejection of Tata Airlines Project

164. SHRI SANJAY NIRUPAM: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government has rejected the proposal of Tatas for starting Tata Airlines^

(b) if so, the reasons therefor; and

(c) if not, when this proposal is likely to be given clearance and the Tata Airlines become operational?

THE MINISTER OF CIVIL AVIATION (SHRI ANANTH KUMAR): (a) to (c) No, Sir. On 1st September, 1998 *M/s* Tata Industries have withdrawn their proposal submitted in December, 1997 to operate scheduled air transport services by MS Tata Airlines Pvt. Ltd.

Upgradation of Guwahati airport

165. SHRIMATI BASANTI SARMA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) the amount spent so far on conversion of Guwahati airport into international airport;

(b) whether sufficient £unds have been provided by Government for this purpose; and

(c) if so, the details is thereof. Indicating the amount made for the same during the current financial year?

THE MINISTER OF CIVIL AVIATION (SHRI ANANTH KUMAR): (a) Airports Authority of India has incurred the following expenditure for developing Guwahati airport to international standards:—